

The Honorable Tom Murray
Chairman
House Post Office and Civil Service Committee
Washington 25, D. C.

Dear Mr. Murray:

We are following with interest the House Post Office and Civil Service Committee's hearings on S. 2162 and similar House measures to establish a health benefits program for Government employees.

As you know, our Agency faces certain security problems in confirming to general legislation providing employee benefits. These security factors require this Agency to establish, through an employee organization, a hospitalization insurance program which could be administered in conformity with Agency security requirements. This program has operated successfully in various forms since 1948. It is important to the operation of this Agency that, in any health insurance legislation which may be enacted, provisions be included which would permit this Agency to make appropriate arrangements with the Civil Service Commission concerning the administration of the Agency's health insurance program.

We would naturally welcome Government financial support of an Agency health insurance program in an amount determined feasible. However, while we desire to conform to the general framework of any

legislation granting health insurance benefits, it is imperative that the Agency have sufficient latitude to resolve our rather unique security problems within that general framework. We have discussed the Agency's security requirements with representatives of the Civil Service Commission. They have suggested that section 4 of S. 2162 or similar House bills be amended to add a subsection (5) which would read:

(5) Central Intelligence Agency Plans - Group plans for employees of the Central Intelligence Agency.

Similarly, Section 5 should also be amended to add a subsection (5) to read:

(5) Central Intelligence Agency Plans - Benefits of the type specified in this subsection under paragraph (1) or (2).

This Agency is in agreement with the Commission's recommendation or any similar amendment and we shall be pleased to make appropriate representations to the Committee to this effect if you determine that they are necessary or desirable for the ~~Committee~~ Committee's consideration of the matter.

Sincerely,

John S. Warner
Legislative Counsel